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# FINE ORGANICS

## FINE ORGANIC INDUSTRIES LIMITED

Fine Organic Industries Limited (“**Company**”) was incorporated as ‘Fine Organic Industries (Mumbai) Private Limited’ on May 24, 2002 in the state of Maharashtra at Mumbai as a private limited company under the Companies Act, 1956, as amended. Thereafter, the name of our Company was changed to ‘Fine Organic Industries Private Limited’ and a fresh certificate of incorporation consequent upon change of name dated February 16, 2009 was issued by the Registrar of Companies, Maharashtra situated at Mumbai (“**RoC**”). Subsequently, our Company was converted into a public limited company, the word ‘private’ was struck off from the name of our Company and consequently, a fresh certificate of incorporation dated November 2, 2017 was issued by the RoC recording the change of our Company’s name to ‘Fine Organic Industries Limited’. For details of change in the name of our Company, see “*History and Certain Corporate Matters*” on page 154 of the Red Herring Prospectus dated June 11, 2018 (“**RHP**”) registered with the RoC on June 11, 2018. **Registered and corporate office:** Fine House, Anandji Lane, Ghatkopar (East), Mumbai 400 077; **Contact Person:** Pooja Gaonkar, Company Secretary and Compliance Officer **Tel:** (91 22) 2102 5000; **Fax:** (91 22) 2102 8899; **E-mail:** investors@fineorganics.com; **Website:** www.fineorganics.com; **Corporate Identity Number:** U24119MH2002PLC136003.

**PROMOTERS OF OUR COMPANY: PRAKASH DAMODAR KAMAT, MUKESH MAGANLAL SHAH, JYOTSNA RAMESH SHAH, JAYEN RAMESH SHAH, TUSHAR RAMESH SHAH AND BIMAL MUKESH SHAH**

INITIAL PUBLIC OFFERING OF UP TO 7,664,994 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH (“**EQUITY SHARES**”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE, THROUGH AN OFFER FOR SALE BY THE PROMOTER GROUP SELLING SHAREHOLDERS AS DEFINED IN THE SECTION TITLED “**DEFINITIONS AND ABBREVIATIONS**” OF THE RHP (SUCH EQUITY SHARES OFFERED BY THE PROMOTER GROUP SELLING SHAREHOLDERS COLLECTIVELY REFERRED TO AS THE “**OFFERED SHARES**”), AGGREGATING UP TO ₹ [•] MILLION (“**OFFER**”). THE OFFER SHALL CONSTITUTE 25.00% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.

**PRICE BAND: ₹ 780 TO ₹ 783 PER EQUITY SHARE OF FACE VALUE OF ₹ 5 EACH.**  
**THE FLOOR PRICE IS 156.0 TIMES THE FACE VALUE OF THE EQUITY SHARE AND THE CAP PRICE IS 156.6 TIMES THE FACE VALUE OF THE EQUITY SHARE.**  
**BIDS CAN BE MADE FOR A MINIMUM OF 19 EQUITY SHARES AND IN MULTIPLES OF 19 EQUITY SHARES THEREAFTER.**

**RISKS TO INVESTORS**

1. THE TWO BOOK RUNNING LEAD MANAGERS (“**BRLMS**”) ASSOCIATED WITH THE OFFER HAVE COLLECTIVELY HANDLED 36 PUBLIC OFFERS IN THE PAST THREE YEARS OUT OF WHICH 6 OFFERS CLOSED BELOW THE OFFER PRICE ON LISTING DATE.
  2. THE AVERAGE COST OF ACQUISITION PER EQUITY SHARE FOR PRAKASH DAMODAR KAMAT, MUKESH MAGANLAL SHAH, JYOTSNA RAMESH SHAH, JAYEN RAMESH SHAH, TUSHAR RAMESH SHAH AND BIMAL MUKESH SHAH, IS ₹1.53, ₹0.83, ₹0.79, ₹0.76, ₹0.69 AND ₹0.74 RESPECTIVELY AND OFFER PRICE AT THE UPPER END OF THE PRICE BAND IS ₹ 783 PER EQUITY SHARE.
  3. WEIGHTED AVERAGE RETURN ON NET WORTH AS PER THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS FOR THE COMPANY FOR FISCAL 2017, FISCAL 2016 AND FISCAL 2015 IS 27.24%. THIS IS LOWER THAN THE AVERAGE RETURN ON NET WORTH OF THE INDUSTRY PEER, WHICH IS 28.68% ON CONSOLIDATED BASIS FOR FISCAL 2017.

**BID/ OFFER  
PROGRAMME**

**OPENS ON: WEDNESDAY, JUNE 20, 2018<sup>1</sup>**  
**CLOSES ON: FRIDAY, JUNE 22, 2018**

<sup>(1)</sup> Our Company and the Promoter Group Selling Shareholders may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Offer Period shall be one Working Day prior to the Bid / Offer Opening Date.

**ASBA\***

**Simple, Safe, Smart way of Application!!!**

\*Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.  
**Mandatory in public issues from January 1, 2016. No cheque will be accepted.**

**APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA):** Investors have to apply through the ASBA process. ASBA Forms can be availed by all the Investors except Anchor Investors. For details on the ASBA process, please refer to the details given in ASBA Form and Abridged Prospectus and also please refer to the section titled “*Offer Procedure*” on page 477 of the RHP. ASBA Forms can also be downloaded from the websites of BSE and NSE. ASBA Forms can be obtained from the list of banks that is available on the website of SEBI at www.sebi.gov.in. ASBA Forms can be obtained from the SCSBs, Members of the Syndicate, Registered Brokers, RTAs and CDPs, the list of which is available on the website of SEBI at www.sebi.gov.in.

**Contents of the Memorandum of Association of the Company as regards its objects:** For information on the main objects of the Company, please see the section titled “*History and Certain Corporate Matters*” on page 154 of the RHP and Clause III of the Memorandum of Association of the Company. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For further details, please see the section titled “*Material Contracts and Documents for Inspection*” on page 525 of the RHP.

**Liability of the members of the Company:** Limited by shares

**Amount of share capital of the Company and Capital structure:** The authorised, issued, subscribed and paid up share capital of the Company as on the date of the RHP is as follows: The authorised share capital of the Company is ₹ 200,000,000 divided into 40,000,000 Equity Shares. The issued, subscribed and paid-up share capital of the Company is ₹ 153,299,880 divided into 30,659,976 Equity Shares. For details, please see the section titled “*Capital Structure*” beginning on page 84 of the RHP.

**Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them:** Given below are the names of the signatories of the Memorandum of Association of the Company, at the time of signing of the Memorandum of Association : Ramesh Maganlal Shah (2,000 equity shares), Prakash Damodarkamat (2,000 equity shares), Mukesh Maganlal Shah (2,000 equity shares), Jayen Ramesh Shah (2,000 equity shares) and Tushar Ramesh Shah (2,000 equity shares).

**Listing:** The Equity Shares are proposed to be listed on BSE and NSE. Our Company has received an ‘in-principle’ approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated March 8, 2018 and March 9, 2018, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A signed copy of the RHP has been registered with the RoC and a signed copy of the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the RHP up to the Bid/Offer Closing Date, see “*Material Contracts and Documents for Inspection*” on page 525 of the RHP.

**Disclaimer Clause of the SEBI:** SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 456 and 457 of the RHP for the full text of the Disclaimer Clause of SEBI.

**Disclaimer Clause of BSE (Designated Stock Exchange):** It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness any of the contents of the RHP. The investors are advised to refer to page 459 of the RHP for the full text of the Disclaimer Clause of BSE.

**Disclaimer Clause of NSE:** It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 459 of the RHP for the full text of the Disclaimer Clause of NSE.

**General Risks:** Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the RHP in the offer. Specific attention of the investors is invited to “*Risk Factors*” beginning on page 15 of the RHP.

**Corrigendum: Notice to Investors (“**Notice**”)**

This Notice is with reference to the RHP registered with the RoC in relation to the Offer. We refer to the disclosures under the sections titled “*Objects of the Offer*” and “*Basis for Offer Price*” of the RHP. In this regard, the Bidders should note that the following:

1. In the section titled “*Objects of the Offer*”:

a. On page 100 of the RHP, the selling commission of “0.20% of the Amount Allotted (plus applicable GST)” included in the table in respect of the portion for Non-Institutional Bidders in the footnote number 3 under the heading ‘Offer Expenses’, shall stand modified, and is to be read as “0.20% of the Amount Allotted (plus applicable GST)”.

b. On page 101 of the RHP, the amount of “₹ 500 million” and “₹ 750 million” included under the heading ‘RETAIL KITTY’ shall stand modified, and is to be read as “₹ 5.00 million” at both the places.

2. In the section titled “*Basis for Offer Price*”:

a. On page 102 of the RHP, the footnote “*Not Annualized*” to the ‘Basic and Diluted Earnings per Share (face value of ₹ 5 each)’ in respect of the Basic and Diluted Earnings per Share, for Nine month period ended December 31, 2017, under the heading ‘Quantitative Factors’ shall stand modified, and is to be read as “*Annualized*”, on both standalone as well as consolidated basis.

b. On page 103 of the RHP, the statement in the note to ‘Return on Net Worth (“RoNW”)’, “*Return on net worth (%) is net profit attributable to equity shareholders divided by average net worth*” shall stand modified, and is to be read as “*Return on net worth (%) is net profit after tax (as restated) divided by net worth at the end of the year/period*”.

The RHP, the Price Band Ad, the Bid cum Application Form and Abridged Prospectus shall be read in conjunction with this Notice. The information in this Notice supersedes the information in the RHP to the extent inconsistent with the information in the RHP. The RHP accordingly stands amended to the extent stated hereinabove. Relevant changes shall be reflected in the Prospectus as and when registered with the RoC and filed with SEBI, BSE and NSE. Unless otherwise specified, all capitalized terms used herein shall have the same meaning ascribed to such terms in the RHP.

For Fine Organic Industries Limited  
On behalf of the Board of Directors

Place: Mumbai  
Date: June 15, 2018

Sd/-  
Company Secretary and Compliance Officer

Our Company is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offering of its Equity Shares and has filed the red herring prospectus dated June 11, 2018 (“**RHP**”) with the RoC. The RHP and this Corrigendum shall be available on the website of SEBI at www.sebi.gov.in, NSE at www.nseindia.com, BSE at www.bseindia.com and is available on the website of the BRLMs, i.e. at www.jmfi.com and www.edelweissfin.com. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to section titled “*Risk Factors*” on page 15 of the RHP and section titled “*Risk Factors*” of the Prospectus, when available. Potential investors should not rely on the Draft Red Herring Prospectus filed with SEBI for making any investment decision.

This announcement has been prepared for publication in India and may not be released in the United States. This announcement does not constitute an offer of securities for sale in any jurisdiction, including the United States, and any securities described in this announcement may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended, or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the Company and that will contain detailed information about the Company and management, as well as financial statements. However, no Offered Shares are being offered for sale in the United States in the Offer.